

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS FOR 1979

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

NINETY-FIFTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON FOREIGN OPERATIONS AND RELATED AGENCIES

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WEDNESDAY, APRIL 5, 1978.

INTERNATIONAL NARCOTICS CONTROL

WITNESSES

**MATHEA FALCO, SENIOR ADVISOR TO THE SECRETARY OF STATE
AND DIRECTOR OF THE OFFICE FOR INTERNATIONAL NARCOTICS
CONTROL MATTERS**

Mr. LONG. The Subcommittee will come to order. This morning we will consider the fiscal 1979 request for the International Narcotics Control Program.

As our principal witness we have Ms. Mathea Falco, Senior Advisor to the Secretary of State and Director of the Office for International Narcotics Control Matters.

Ms. Falco, without objection, we will insert your prepared statement and certain justification materials in the record, and ask you to summarize in five minutes or less.

[The prepared statement of Ms. Falco follows:]

BIOGRAPHY OF MATHEA FALCO

Ms. Falco was born in 1944 in Alabama. She received her secondary education in London, England before enrolling in Radcliffe College. She graduated from Radcliffe cum laude in 1965 and attended Yale Law School until 1968 when she was awarded her law degree. She is a member of the Bars of the District of Columbia, the U.S. Court of Appeals for the D.C. Circuit and the U.S. Supreme Court.

Ms. Falco was a law clerk to the Chief Judge of the Juvenile Court of the District of Columbia from 1968 to mid-1969. She became Assistant to the Director of the Office of Equal Opportunity's Office of Legal Services until 1971. After a brief period as Deputy Chief Counsel to the Senate Subcommittee on Juvenile Delinquency, she became the Chief Counsel and Staff Director where she remained until August 1973. She was a Fellow of the Drug Abuse Council for a year before becoming the Council President's Special Assistant.

Ms. Falco is on the Board of Trustees of Radcliffe College, the Board of Directors of the Girl Scouts of America, and the Harvard Club of Washington. She has written numerous publications and articles dealing with drug abuse.

EDUCATION

Secondary education in London, England.

Radcliffe College, Cambridge, Massachusetts: B.A. cum laude, 1965.

Yale Law School, New Haven, Connecticut: J.D. 1968.

EMPLOYMENT

February 1977 to present—Senior Adviser to the Secretary of State and Coordinator for International Narcotics Matters.

September 1974 to January 1977—Special Assistant to the President, Drug Abuse Council, Washington, D.C.

September 1973 to August 1974—Fellow, Drug Abuse Council, Washington, D.C.

cocaine than the total amount seized in the United States in 1977. Ecuador also showed a substantial rise in cocaine seizures in 1977 over 1976 and a doubling of the amount of processed marijuana seized.

In meetings last June, President Lopez of Colombia expressed his personal commitment to joint narcotics control efforts. Last December he established a select narcotics enforcement unit under the Attorney General, for which we are providing training through DEA. In FY 1979 we are requesting \$180,000 to strengthen the Attorney General's new narcotics unit. Assistance funds will continue to be programmed to other law enforcement entities in Colombia so long as they continue to have narcotics control functions. For FY 1979 we are asking \$830,000 for support of such enforcement organizations.

Three helicopters provided the Colombian Government last September have been effectively used, most notably in an October raid where agents seized 1,100 pounds of cocaine base, an aircraft, weapons, several vehicles, and arrested a key drug trafficker. More recently, the helicopters were used in a raid which netted 163 tons of marijuana. We are requesting \$300,000 in FY 1979 for continued maintenance and support of U.S.-provided helicopters, as well as of other aircraft provided by the Government of Colombia.

The U.S. has provided financial assistance to Ecuador's narcotics enforcement organizations since 1973. Such support has helped that country's anti-narcotics effort, and in 1977 drug seizures and arrests by Ecuador's police increased substantially over those in 1976. Beginning in 1978 we have expanded our assistance to include support for the Ministry of Education's campaign to increase public awareness of the drug problem. In Fiscal Year 1979 we are requesting \$436,000 to assist Ecuador's narcotics enforcement units and \$100,000 for demand reduction efforts.

Mr. Richard Arellano, Deputy Assistant Secretary for Inter-American Affairs, and I have just returned from Quito. While there, we conveyed the high priority which our Government attaches to international narcotics control. We were pleased to receive a firm commitment from the Government of Ecuador to cooperate more closely on narcotics matters, while we assured that government of our continued support for such cooperation.

In the coming year, regional cooperation in narcotics control will receive added State Department impetus, as we seek to encourage Latin American countries to coordinate their narcotics efforts more closely. Areas of potential cooperation include enforcement, crop substitution, demand reduction, and research efforts. As part of this cooperation, a regional narcotics communications network in South America will be completed and a program inaugurated to foster joint planning and coordination of operations against international trafficking networks. In Fiscal Year 1979 we are requesting \$260,000 to support joint regional narcotics enforcement projects in Latin America.

AFGHANISTAN AND PAKISTAN

The cultivation and use of opium poppy is deeply ingrained in the culture of areas of Afghanistan and Pakistan, based on centuries of practice and public acceptance. In contemporary Pakistan, the opium gum is added to tea or processed to a primitive stage and smoked as a relaxant by a large segment of the older peasant classes, or used as a medicine. The poppy straw is used for animal fodder, and to strengthen the adobe-type building materials. In certain areas of Afghanistan, opium is the only available form of medication and the oil and seeds of the poppy are used in cooking.

Little or no capability for processing opium into heroin exists in Afghanistan today, and most of the opium leaving the country is smuggled in ton lots across the border into Pakistan and Iran by animal caravans and vehicles. If estimates which place Afghanistan's domestic consumption of opium at around 100 tons a year are correct, as much as 270 tons of Afghan opium will be exported during the coming year.

The Afghan Government's anti-narcotics effort has been largely directed at the traffickers in opium. In 1977, Afghan authorities seized 13 metric tons of opium. However, police units assigned to anti-trafficking duties are undermanned, undertrained, and underequipped. The United Nations Fund for Drug Abuse Control (UNFDAC), the principal agency through which international narcotics control assistance is channeled to Afghanistan, is assisting in the development of a more effective interdiction capability. We have supplied training through the Drug Enforcement Administration and U.S. Customs.

A joint commission consisting of representatives of the Afghan Government, the United Nations, and the United States has been established in Kabul to coordinate narcotics control activities. A U.S. development expert seconded to the United Nations Fund for Drug Abuse Control has designed an integrated rural development project for the Upper Helmand opium producing area, which will be financed by international donor countries and financial institutions. This project will provide farmers alternatives to opium cultivation and thus allow the Afghan Government to eliminate opium production from the area. We are requesting \$500,000 to support selected crop replacement and enforcement activities to complement existing multilateral efforts.

During the past year, AID has used side letters with the Afghan Government to require that AID assistance not be used to foster opium cultivation. We received a report from the Afghan Government that in late January it plowed under 70 hectares of opium poppy discovered in one of the project areas.

Pakistan is estimated to have produced 200 tons of opium during 1977, of which 120 tons were consumed locally. The remaining 80 tons finds its way into Iran, Turkey, Western Europe, and the Persian Gulf. As in Afghanistan, Pakistan's opium poppy fields are concentrated in remote border areas where the central government exercises minimal control. Production is centered in the desolate mountainous regions of the North West Frontier Province bordering Afghanistan, where most of the poppy farmers live at a subsistence level, with opium as the only cash crop.

Our narcotics control assistance in Pakistan is directed at helping develop the local capability to keep Pakistan opium and its derivatives from entering the international market, and to assist in the development of alternative cash crops to replace opium. We are requesting \$850,000 in FY 1979 for the Swabi Tehsil project which will identify economic alternatives to poppy cultivation in that area of the North West Frontier Province. This project will in turn serve as the basis for a large-scale rural development undertaking for which support of other major donor countries will be sought.

Political instability during the past year, which led to the overthrow of the Bhutto Government by the military, created conditions which did not allow our bilateral efforts to progress as successfully as we had hoped. As conditions in the country stabilize and the military leadership devotes its attention to the narcotics problem, we expect more vigorous control of both trafficking and production. For FY 1979 we are requesting \$150,000 to equip Pakistan's Customs service with vehicles and patrol craft to interdict drugs leaving the country through the Karachi seaport and adjacent coast.

EAST ASIA

Southeast Asian illicit narcotics production and traffic have plagued the world for decades. Despite the valiant efforts of law enforcement officers around the world, tightly organized international trafficking groups continue to profit from the misery they bring to others in the form of drug addiction.

In Southeast Asia, narcotics control efforts are further complicated by traditional political instability and insurgency, creating situations in which illicit narcotics traffic can flourish. Despite these obstacles, however, progress in reducing Southeast Asian narcotics production and traffic is being made. My January visit to Southeast Asia encouraged me that prospects of curtailing the illicit narcotics traffic in that region are more favorable now than at any time in the past.

We are particularly encouraged by two aspects of recent Golden Triangle narcotics trafficking developments: the flow of raw and refined narcotics, and the prices at which they are sold. During the last six months, shipments of raw or processed opiates from the Northern Shan State to the Thai-Burma border refining areas have declined very sharply, accompanied as well by significant decreases from most other parts of Shan State. These reductions are a result of the aggressive Burmese narcotics eradication and interdiction program, which has drastically reduced opium production and led to the virtual disappearance of the large narcotics caravans so common in the past. Narcotics delivered to the border have been increasingly handled by relatively small-time traffickers dealing in limited quantities. Moreover, unlike previous years of opium surplus, opiate products now reaching the border area go directly into refineries, bypassing storage sites.